Department of Finance

News Release

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2007-094

Official International Reserves

The Department of Finance announced today that Canada's official international reserves increased by an amount equivalent to US$55 million during November to US$40,852 million.

Details on the level and composition of Canada's reserves as of November 30, 2007, as well as the major factors underlying the change in reserves, are provided below. All figures are in millions of US dollars unless otherwise noted.

Foreign Currency Reserves

Securities	36,621
Deposits	2,439
Total securities and deposits (liquid reserves)	39,060
Gold[1]	85
Special drawing rights (SDRs)	1,022
Reserve position in the IMF	685
Total: November 30, 2007	40,852
October 31, 2007	40,797
Net change	55

Details on Deposits

Other central banks/Bank for International Settlements		531
Banks headquartered in Canada		0
Of which: located abroad	0	
Banks headquartered abroad		1,908
Of which: located in Canada	0	
Total		2,439

Details of Net Change

Reserves management operations[2]	-484
Gains and losses on gold sales	0
Net investment gains and losses	
Return on investments[3]	406
Foreign currency debt charges	-92
Revaluation effects[4]	225
Net government operations[5]	0
Official intervention	0
Other transactions	0
Net change	55

Currency Composition of Deposits and Securities

US dollars	18,914
Euro	19,613
Yen	533
Total	39,060

Predetermined Short-Term Drains on Foreign Currency Reserves (Nominal Value)

		0-1 month	1-3 months	3-12 months	Total
Foreign currency securities[6]	Principal	-590	-852	-8,028	-9,470
	Interest	-245	-12	-1,345	-1,603
Aggregate short forward positions in foreign currencies vis-à-vis Canadian dollar		0	0	0	0
Aggregate long forward positions in foreign currencies vis-à-vis Canadian dollar		0	0	0	0
Total net drains		-835	-864	-9,374	-11,073

Additional Information (Nominal Value)

Undrawn, unconditional credit lines with banks headquartered outside Canada	0
Securities lent under repurchase agreements[7]	-2,365
Securities held under repurchase agreements[8]	1,104
Financial derivatives assets (net, marked to market)	
Forwards	0
Swaps	4,077

Notes:

1. There were no sales of gold settled in November. On November 30, gold holdings stood at 0.1 million ounces. The valuation is based on the November 30, 2007, London p.m. fix of US$784 per ounce.
2. Net change in securities and deposits resulting from foreign currency funding activities of the Government. (Issuance of foreign currency liabilities used to acquire assets increases reserves, while maturities decrease reserves). During November, Canada bills decreased by US$454 million to a level of outstanding bills of US$1,428 million. A European Medium-Term Note of US$30 million matured and an interest rate swap of US$25 million matured.
3. "Return on investments" comprises US$120 million of interest earned on investments and a US$286-million increase in the market value of securities resulting from changes in interest rates.
4. "Revaluation effects" reflect changes in the market value of reserve assets resulting from movements in exchange rates. In November, the revaluation effect was mainly due to the appreciation of the euro.
5. "Net government operations" are the net purchases of foreign currency for government foreign exchange requirements and for additions to reserves.
6. "Foreign currency securities" include maturities of foreign currency debt, cross-currency swap payments and an estimate of interest payments on foreign currency liabilities.
7. "Securities lent under repurchase agreements" are included in total reserves. Collateral provided in securities-lending transactions is not included in total reserves.
8. Cash invested under repurchase agreements is included in total reserves. Collateral provided in securities-lending transactions is not included in total reserves.

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Future Release Dates

The next release is January 4, 2008 (covering the period December 2007).

A list of upcoming release dates is posted on the Department of Finance website located at www.fin.gc.ca/invest_x /releaseDates_e.asp.

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For further information on the Exchange Fund Account, please consult the *Report on the Management of Canada's Official International Reserves—April 1, 2006–March 31, 2007*, located at www.fin.gc.ca/toce/2007/oir07_e.html.

If you would like to receive automatic e-mail notification of all news releases, please visit the Department of Finance website at www.fin.gc.ca/scripts/register_e.asp.

Official International Reserves (10-Year Synopsis)

	US dollars	Other currencies	Gold	SDRs	IMF position	Total
			(millions of US dollars)			
November 30, 2007	18,914	20,146	85	1,022	685	40,852
October 31, 2007	19,218	19,806	86	1,010	677	40,797
September 30, 2007	19,452	19,777	81	1,001	671	40,982
August 31, 2007	19,989	18,594	73	985	660	40,301
July 31, 2007	20,067	18,494	73	984	685	40,303
June 30, 2007	19,487	18,186	71	974	695	39,413
May 31, 2007	20,088	18,271	72	972	693	40,096
April 30, 2007	19,982	18,435	74	978	714	40,183
March 31, 2007	19,548	17,991	72	976	722	39,309
February 28, 2007	16,771	17,781	72	966	720	36,310
January 31, 2007	16,679	17,379	71	954	825	35,908
December 31, 2006	15,608	17,590	69	963	833	35,063
November 30, 2006	16,423	18,152	70	965	867	36,477
Dec. 31, 2005	16,842	13,822	56	897	1,401	33,018
Dec. 31, 2004	14,426	15,740	48	925	3,327	34,466
Dec. 31, 2003	15,575	15,961	45	838	3,848	36,267
Dec. 31, 2002	17,946	14,739	205	712	3,567	37,169
Dec. 31, 2001	19,748	10,736	291	614	2,859	34,248
Dec. 31, 2000	21,692	7,327	323	574	2,508	32,424
Dec. 31, 1999	18,838	5,594	524	526	3,164	28,646
Dec. 31, 1998	15,907	4,004	122	1,097	2,297	23,427
Dec. 31, 1997	14,630	492	146	1,126	1,575	17,969
Dec. 31, 1996	17,521	507	155	1,168	1,227	20,578